the farmers in Guntur, Prakasam and Kubhna districts;

(b) if so, what is the total amount realised through such auctions during the last one year; and

(c) how many accounts are settled by this method, district-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c) In terms of established banking practices, all borrowers availing of loans are required to repay the same with interest as per repayment schedule agreed between the bank and the borrower. Any default committed by a borrower in this regard is liable to be subjected to appropriate action for recovery irrespective of the amount of default. The recovery of dues from the borrower is a normal banking activity. Auction of jewellery and ornaments pledged with the banks as securities is resorted to recover the bank dues as a last resort. The information with regard to the total amount realised through such auctions by banks and the number of accounts settled by this method is not generated by the data reporting system.

Economic Liberalisation Policy

910. SHRI GOVINDRAO ADIK: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have undertaken the policy of economic liberalisation for making the country a part of truly global economy on a large scale;

(b) if so, the details thereof; and

(c) what dynamic efforts Government propose to put in to protect the interest of the consumer the common man and the country as a whole in the process of economic liberalisation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) The rationale of economic liberalisation is to improve the living standards of the people through raising the productivity and competitiveness of the economy. Over the past two and a half years, several reform measures were taken in areas of fiscal policy, industrial and trade policy, infrastructural sectors, and financial sector in this direction. Much more needs to be done.

(c) The economic liberalisation measures by encouraging competition and efficiency will protect the interest of the consumer, the common man and the country as a whole.

Tax Reliefs Sought by Housing Finance Companies

911. SHRI GOVINDRAO ADIK: Will the Minister of FINANCE be pleased to state:

(a) whether the Housing Finance Companies have sought tax reliefs and removal of constraints on the increased flow of housing finance in order to give a boost to house construction activity and increase the supply of rental housing, apart from raising the rate of return on housing investment;

(b) if so, the details thereof;

(c) the reaction of the Govt. in this regard; and

(d) what further measures Govt. propose to take to ease the ticklish housing problem in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir. A detailed pre-Budget memorandum has been received from a group of several housing finance companies requesting for tax relief and

removal of constraints on the increased flow of housing finance.

(b) Details of the suggestions made are as under:

(i) The deposits/bonds of Housing Finance Institutions be considered elegible investments for provident/pension funds.

(ii) Section 80L of the Income-tax Act be amended to include the interest payable on deposits/bonds with Housing Finance Institutions.

(iii) Relief may be granted to Housing Finance Institutions from the requirement of deduction of Income-Tax at source if the interest paid on a deposit exceeds Rs. 2,500 in a financial year.

(iv) Exemption of interest-tax should be granted because the borrowers of the Housing Finance Companies generally belong to the low income or middle income group category and because no income accrues from a self-occupied house purchased out of borrowed funds.

(v) Section 54 of the Income-Tax Act should be amended to enable an assessee to invest the capital gains in the approved funds/deposit schemes of HFCs in order to avail of the exemption from capital gains tax. An assessee should also be allowed to temporarily part the funds with the HFCs. If the funds are not withdrawn for the purchase of the construction of the house within the specified time limits.

(vi) Apart from the tax rebate under Section 88 of the Income-tax Act, an assessee should be eligible for concessions under Section 80CCA at least to the extent of Rs. 5,000 per annum.

(vii) Deduction similar to the one under Section 36(1) (viia) of the Income-tax Act should also be allowed to Housing Finance Companies as they provide the long-term finance for housing activity ranging from 15 to 20 years

as against a period of existing 7 years in the case of scheduled banks or Public Financial Institutions.

(viii) Deduction of interest on borrowed capital under Section 24(2) should be increased to Rs. 15,000 from the present limit of Rs. 5,000.

(ix) Loss under the head "income from house property" should be allowed to be set off against other income in accordance with the practice follwed during the past 2 years.

(x) Deduction of Rs. 3,600 in the case of newly constructed residential units should be restored.

(c) The suggestions were examined as part of budget exercise and decisions of the Govt. stand reflected in the Finance Bill, 1994, presented before the Parliament on 28.2.1994.

(d) As regards further measures that the Govt. proposes to take to ease the housing problem in the country, it may be informed that the Govt. has already laid the National Housing Policy before the Parliament in July, 1990, which envisages various steps aimed at easing the Housing problem.

आयकर की बकाया राशि

912. **प्रो॰ विजय कुमार मल्होत्रा:**
श्री एस॰ आस्टिन:

क्या **वित्त** मंत्री यह बताने की कृपा करेंगे कि:

(क) आयकर की कितनी राशि अभी भी बकाया है;

(ख) कितने व्यक्तियों पर 10 लाख रुपए से अधिक आयकर बकाया है;

(ग) किन-किन व्यक्तियों पर एक करोड़ रुपए से अधिक आयकर बकाया है; और